

Securities and Exchange Commission

§ 230.604

the Commission to be a cause of any such order which is still in effect; or is subject to an order of the Commission entered pursuant to section 203 (d) or (e) of the Investment Advisers Act of 1940;

(4) Is suspended or has been expelled from membership in a national securities dealers association or a national securities exchange for conduct inconsistent with just and equitable principles of trade; or

(5) Is subject to a U.S. Post Office fraud order.

(d) No exemption under §§ 230.601 to 230.610a shall be available for the securities of any issuer if any underwriter of such securities, or any director, officer or partner of any such underwriter was, or was named as, an underwriter of any securities:

(1) Covered by any registration statement which is the subject of any proceeding or examination under section 8 of the Act, or is the subject of any refusal order or stop order entered thereunder within five years prior to the filing of the notification; or

(2) Covered by any filing which is subject to pending proceedings under § 230.610 or any similar rule adopted under section 3(b) of the Act, or to an order entered thereunder within five years prior to the filing of such notification.

(e) Paragraph (b), (c) or (d) of this section shall not apply to the securities of any issuer if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the exemption be denied. Any such determination by the Commission shall be without prejudice to any other action by the Commission in any other proceeding or matter with respect to the issuer or any other person.

(Secs. 3(b) and 3(c) Securities Act of 1933 (15 U.S.C. 77c (b) and (c)); sec. 38, Investment Company Act of 1940 (15 U.S.C. 80a-37))

[23 FR 10484, Dec. 30, 1958, as amended at 49 FR 35344, Sept. 7, 1984]

§ 230.603 Amount of securities exempted.

(a) The aggregate offering price of all of the following securities of the issuer shall not exceed \$5,000,000:

(1) All securities presently being offered under §§ 230.601 to 230.610a, or specified in the notification as proposed to be so offered;

(2) All securities previously sold pursuant to an offering under §§ 230.601 to 230.610a, commenced within one year prior to the commencement of the proposed offering; and

(3) All securities sold in violation of section 5(a) of the Act within one year prior to the commencement of the proposed offering.

Notwithstanding the foregoing, the aggregate offering price of all securities so offered or sold on behalf of any one person other than the issuer shall not exceed \$100,000, except that this limitation shall not apply if the securities are to be offered on behalf of the estate of a deceased person within two years after the death of such person.

(b) The aggregate offering price of securities, which have a determinable market value shall be computed upon the basis of such market value as determined from transactions or quotations on a specified date within 15 days prior to the date of filing the notification, or the offering price to the public, whichever is higher: *Provided*, That the aggregate gross proceeds actually received from the public shall not exceed the maximum aggregate offering price permitted in the particular case by paragraph (a) of this section.

(c) In computing the amount of securities which may be offered under §§ 230.601 to 230.610a, there need not be included unsold securities the offering of which has been withdrawn with the consent of the Commission by amending the pertinent notification to reduce the amount stated therein as proposed to be offered.

(15 U.S.C. 77c; secs. 3(b) and 3(c), Securities Act of 1933 (15 U.S.C. 77c (b) and (c)); sec. 38, Investment Company Act of 1940 (15 U.S.C. 80a-37))

[23 FR 10484, Dec. 30, 1958, as amended at 36 FR 7050, Apr. 14, 1971; 49 FR 35344, Sept. 7, 1984]

§ 230.604 Filing of notification on Form 1-E.

(a) At least 10 days (Saturdays, Sundays and holidays excluded) prior to the date on which the initial offering or sale of any securities is to be made